Online Shopping Innovative Behavior: A Review from Consumers Perspectives

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ABSTRACT

Online shopping has shift the consumer paradigm from shopping at the brick and mortar stores to click and mortar stores that has directed the consumer to experienced innovative online behavior in electronic retailing. Existing studies ignored several other important factors that can affect consumers' decision to purchase product and service from the Internet. For example, the role of consumers' innovativeness has not been investigated despite its importance. Drawing from the Technology Acceptance Model, Technology Planned Behavior and Diffusion Innovation Theory, this study extended the models by incorporating online shopper innovative behavior and exogenous factors and applies it to the online shopping context.

Keywords: *Online Shopping, Innovativeness, Internet, Consumer Behavior*

1.0 INTRODUCTION

Shopping on the Internet is an innovative online behavior that is more likely to be adopted by innovators than noninnovators. Chase and Fransson (2000) state that Internet shopping is no different from any other innovation. It is simply a new method of purchasing products and services. When consumers accept and use Internet for shopping, they are accepting and using technologies and innovation. On the similar vein, Mahajan and Wind 1989; Peterson et. al., 1997; and Kotler 1991 viewed that "Purchasing something on the Internet could be considered as adopting an innovation". Who buys online and why are crucial questions for e-commerce managers and consumer researchers if online sales are to continue to grow through increased purchases by current buyers and by converting those who have not yet purchased online (Donthu and Garcia 1999, Modahl 2000). This study attempts to find answer to these questions by reviewing relevant literatures. Drawing from the Technology Acceptance (TAM), Technology Planned Behavior (TPB) and Innovation Diffusion Theory (IDT), this study extended the models by incorporating online shopping innovative behavior and several important constructs.

The remainder of this paper is organized into the following three sections. The first section provides a review of the literature on TAM, TPB, and IDT. Next, proposed research model is presented. Finally, a conclusion is discussed in the last section.

2.0 LITERATURE REVIEW

Venkatraman (1991) states that innovativeness is the personality trait that predisposes consumers to buy new products. He reports innovativeness as the latent underlying preference for new and different experiences and at the most basic level this preference motivates a search for new experiences that stimulate the mind and/or the senses. Innovativeness is suggested to be the key individual characteristic that distinguishes early and late innovation adopters. If there were no such characteristic as innovativeness, consumer behavior would consist of a series of 'routinized' buying responses to a static set of products (Hirschman, 1980).

Consumers differ in their readiness to adopt new medium of retailing. Depending on the time taken to adopt online shopping, these consumers can be classified into five types of adopters. Innovators are experimentalists who latch onto new ideas as soon as they appear. An innovator's interest lies primarily in the innovation itself, rather than with its application to significant problems. Early Adopters are visionaries who blend an interest in innovation with a concern for significant applications. They look for breakthrough in instructional methods of learning effectiveness that new innovations for technology enable. Early Majority are pragmatists who represent the first half of the mainstream. They adopt a "wait-and-see" attitude toward new applications of innovation, and require solid references and examples of successes before adopting. Late Majority are the conservative or sceptical latter half of the mainstream. They accept innovation late in the game, once the change has already become well-established among the majority. Laggards are the last group of potential adopters and most likely never adopt innovation at all. It is unlikely for them to employ innovations, and they may also be antagonistic to their uses by others (Geoghegan, 1994).

Online shopping is a new form of retailing of doing shopping from an individual consumer's position. When consumers accept and use Internet for shopping, they are accepting and using technologies and innovation. Innovative online shopping behavior occurs as consumers buy new products and services through the Internet. Such consumers are termed innovators or innovative online shopper and the new products which they buy are called innovations. Innovative online shopper possess special characteristics since they are those with a broader range of shopping environment experiences that

interest online retailers to learn how innovative their customers are.

Donthu and Garcia (1999) characterize the Internet Shopper as more innovative, less risk adverse, more variety seeking and more impulsive than Internet Non-shoppers. Indeed, they are also characterized as opinion leaders, innovators, and domain specific to the Internet (Kunz, 1997). Given the fact that online innovators tend to exhibit a higher level of self-confidence (Goldsmith 2000), it is likely that these shoppers will believe that they possess a higher level of knowledge about shopping and buying online. Therefore, they will feel less inclined to search for information regarding online shopping and be more apt to be first to use this new form of electronic retailing.

Goldsmith (2000) found that innovative online buyers bought more online. His study showed that more innovative online buyers held different attitudes from less innovative online buyers. Similarly, Hoffman and Novak (1997) also find that experienced users are more likely to buy things over the Internet. Products that traditionally sell in high volumes over the Internet tend to be low risk, low cost convenience items such as books and music. However with greater familiarization of the shopping process via the Internet, consumers are gradually shopping across new product categories such as travel, computer hardware, consumer electronics (Forrester, 2000). Phan and Poon (2000) argued that products and services that have low outlay, are frequently purchased, have intangible value proposition and are high on differentiation are more likely to be purchased via the web.

Goldsmith & Lafferty (2001) found that innovators tend to see online buying as more fun, safer, quicker, and cheaper than less innovative consumers. Products diffuse more quickly if they are perceived to be less complex, relatively advantageous, and compatible with lifestyles and values compared to existing market offerings (Solomon 1999). The online innovators thought it was safer to buy over the Internet, cheaper, quicker, and more fun than traditional shopping. They also had greater confidence shopping online. For this reasons, Eastlick and Lotz (1999) identified that potential adopters of online shopping did not perceive the medium of interactive teleshopping as difficult to use, considered the medium as compatible with lifestyle needs and had positive perceptions towards the advantages of this medium. Alternatively, non-adopters were in-experienced with the medium of online shopping and considered there to be little advantage or compatibility of this medium with their lifestyle.

Beside that, demographic characteristic of online shoppers is another factor that interest online marketer to clearly segment their profitable online consumers. Kunz (1997) found that men are more likely to purchase via the Internet, and those who intend to shop online are likely to be young. People living in large metropolitan areas are less likely to shop online as compared to those living in suburban areas of small metropolitan populations. This research also summarized the findings of previous studies on what store characteristics of catalog, in-home, and Internet shopping influence consumers' choice of alternate shopping mediums. According to Kunz (1997): If consumers perceive the medium will 1) save them time, 2) be convenient to use/patronize, 3) provide merchandise with good value for the price and 4) merchandise of good quality, 5) involve low risk, 6) provide customer satisfaction, while 7) offering credit accounts and accepting charge cards, they will be more likely to choose that alternative shopping medium.

3.0 REVIEW OF THEORIES

TPB, TAM and IDT are among the widely supported theories that focus on behavior prediction, user acceptance, and innovation adoption constructs. Brief descriptions of these theoretical models from which the proposed research model adopted are presented in the following sections.

Theory of Planned Behavior (TPB)

A conceptual framework that could be used to predict and explain individuals' behavior is the "theory of planned behavior" (TPB) (Ajzen, 1985, 1988, 1991). TPB posits that one's intention to engage in a behavior is a function of three determinants: attitude toward the behavior, social influences to engage in the behaviour, and perceived behavioral control (Figure 1). Attitude refers to one's evaluation about the consequences of performing the behavior. Social influence refers to one's perception of social pressure to perform or not to perform the behavior under consideration, and perceived behavioral control refers to one's perceptions about the ease or difficulty in performing the behavior.

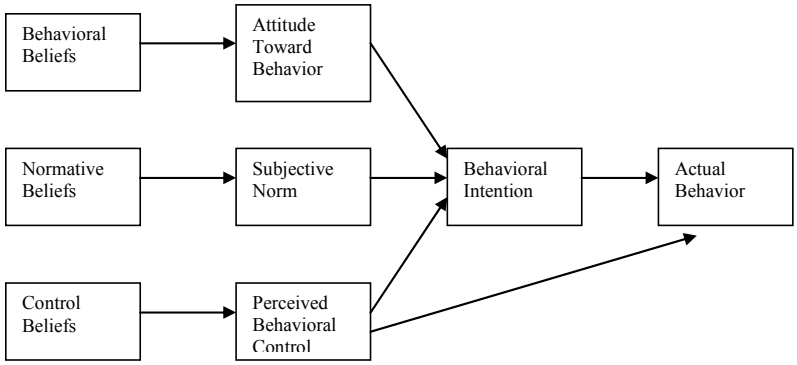

Figure 1: The Theory of Planned Behavior (TPB)
(Source: Pavlou, 2001)

According to TPB, an individual's performance of a certain behavior is determined by his or her intent to perform that behavior. Intent is itself informed by attitudes toward the behavior, subjective norms about engaging in the behavior, and perceptions about whether the individual will be able to successfully engage in the target behavior. According to Ajzen (1985), an attitude toward a behavior is a positive or negative evaluation of performing that behavior. Attitudes are informed by beliefs, norms are informed by normative beliefs and motivation to comply, and perceived behavioral control is informed by beliefs about the individual's possession of the opportunities and resources needed to engage in the behavior (Ajzen, 1991).

TPB has been used in many different studies in the information systems literature (cf. Mathieson, 1991; Taylor and Todd, 1995a, b; Harrison *et al.*, 1997). TRA and TPB have also been the basis for several studies of Internet purchasing behavior (Battacherjee, 2000; George, 2002; Jarvenpaa and Todd, 1997a, b; Khalifa and Limayem, 2003; Limayem *et al.*, 2000; Pavlou, 2002; Suh and Han, 2003; Song and Zahedi, 2001; Tan and Teo, 2000).

Technology Acceptance Model (TAM)

Technology acceptance model (TAM) is believed most robust, parsimonious, and influential in explaining IT/IS adoption behavior (Davis, 1989; Davis *et al*., 1989; Igbaria *et al*., 1995; Mathieson, 1991). Originally investigating e-mail, word processing, and graphics software, TAM has been extended its application to diverse types of IS, such as DBMS (Szajna 1996), personal computing (Agarwal and Prasad 1999), and some other software (Venkatesh 1999; Venkatesh and Davis 2000). Furthermore, several recent studies (Agarwal and Prasad, 1998; Al-Gahtani & King, 1999; Chau, 1996; Chau and Hu, 2001; Horton *et al*., 2001; Hu *et al*., 1999; Jiang *et al*., 2000; Lederer et al. 2000; Lin and Lu 2000; Teo et al. 1999) have examined TAM to analyze users' behavior on the Intranet, Internet and World Wide Web.

TAM was rooted in the theory of reasoned action, a model concerned with determinants of consciously intended behaviors (Ajzen and Fishbein, 1980; Fishbein and Ajzen, 1975). Theory of reasoned action proposes that beliefs influence attitudes, which in turn lead to intentions, and then generate behaviors. Perceived usefulness is defined as the extent to which a person believes that using a system would enhance his or her job performance. Perceived ease of use refers to the extent to which a person believes that using a system would be free of mental effort (Davis, 1989). The TAM model is provided in Figure 2.

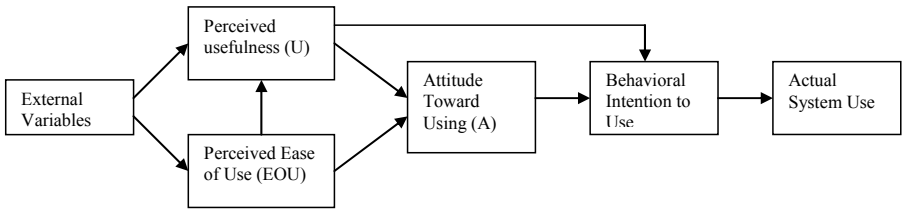

Figure 2: Technology Acceptance Model (TAM)
(Source: Davis et al. 1989)

The model hypothesizes that the actual system use is determined by users' behavioral intention to use (BI), which is in turn influenced by users' attitudes toward using (A). Finally, attitude is directly affected by beliefs about the system, which consists of U and EOU. TAM theorizes this belief-attitude-intention-behavior relationship to predict user acceptance of technology.

In these causal relationships, U has both direct and indirect relationship with BI, whereas EOU only has an indirect link with BI. This implies that people form their intention to use on the basis of the belief that

using a particular technology will enhance their job performance. Therefore, if two competing systems have the same level of usability, the system that can better achieve users' objectives will be used. A is determined jointly by U and EOU. The two mechanisms by which EOU influences A are self-efficacy and instrumentally (Davis et al. 1989). Self-efficacy entails the "judgments of how well one can execute courses of action required to deal with prospective situation", and instrumentally refers to the system characteristics. Finally, U is determined by both EOU and external variables (e.g. system features, training, documentation and user support)

Innovation Diffusion Theory (IDT)

One theory that is often associated with research on technology innovation is Innovation Diffusion Theory (IDT). According to Rogers, diffusion is characterized by four elements contained within the process; whereby (1) an innovation is (2) communicated through certain channels, (3) over time, and among members or a (4) social system. There are five primary characteristics of innovations that help illustrate the rate of individual adoption: (1) Relative Advantage. (2) Compatibility, (3) Complexity, (4) Trialability, and (5) Observability (Rogers, 1995). The diffusion theory suggests that one's adoption of an innovation depends on how one perceives the innovation as "better than the idea it supersedes" (relative advantage), "consistent with existing values, past experiences, and needs of potential adopters" (compatibility), "difficult to understand and use" (complexity), "experimented with on a limited basis" (trialability), and "the results of an innovation are visible to others" (observability). An idea that have the following characteristics will be adopted rapidly by the individual: greater perceived relative advantage, more compatible with the values and norms of a social system, easily understood by most members of the social system, can be tried on an "installment plan", and easier it is for an individual to see the results of an innovation. Among these five characteristics, four of them relate positively to the rate of adoption: relative advantage, compatibility, trialability, and observability. The fifth characteristic, complexity, is negatively related to the rate of adoption. These five characteristics of an innovation are good indicators in predicting if an innovation will be adopted or rejected in the final stage of the diffusion process.

In conclusion, the three theories discussed in this chapter provide strong theoretical support to this research.

4.0 RESEARCH MODEL DEVELOPMENT

Although TAM or other social psychological models have been extensively used as theoretical foundation in the study of technology or IS adoption, little attention on the study of online shopping innovative behavior of consumers has been received. Moreover, the constructs of compatibility and perceived risk, drawing from social psychological models like IDT, are not included in the most of the previous technology adoption studies. This paper attempts to fill the gap by integrating TAM with other theories such as TPB, and IDT into a research model to strengthen the study of online shopping innovative behavior of consumers in the B2C market. Interestingly, this study extended the models by incorporating online shopper innovative behavior and exogenous factors and applies it to the online shopping context. Thus, for developing an in-depth understanding of online shopper innovative behavior, a framework (see Figure 3) was built up based on previous research related to behavior prediction, user acceptance, and innovation adoption. In the proposed research model, two constructs from TPB (i.e. perceived behavioral control, and subjective norm), three constructs from TAM (i.e. perceived usefulness, perceived ease of use and attitude) and a construct from IDT (i.e. compatibility) were retained and applied to online shopping context. Apart from those constructs, the constructs of perceived trust, company image, expectation congruency, and pre-transaction frustration are taken into account in the proposed research model to explain the consumer innovative behavior in online shopping which are generally perceived as high risk and complex online services. All constructs applied in this study are described as follows and the complete theoretical framework is illustrated in Figure 3.

Perceived Behavioral Control on Online Shopping

Perceived behavioral control (PBC) is defined as a person's perception of how 'easy or difficult it would be for the person to carry out a behavior' (Ajzen 1991). PBC is the consumer's perceived ease or difficulty of getting product information from an online retailer's website and purchasing a product from an online retailer's website, respectively. There are two components of PBC; the first deals with self-efficacy, the individual's perception of "how well (s/he) can execute courses of action required to deal with prospective situations" (Bandura, 1982). In other word self-efficacy is an individual's self-confidence regarding the ability to undertake a behavior. Applied to online shopping context, self-efficacy describes consumers' judgments of their own capabilities to get product information and purchase products online. In other word, consumers will judge themselves in terms of the resources, the knowledge and the ability that they have in using the Internet for shopping. For example, online shopping makes it possible for consumers to shop online at the level they would like.

The second components deals with facilitating conditions. Triandis (1979) defined facilitating conditions as "objective factors, out there in the environment, that several judges or observers can agree make an act easy to do". Facilitating conditions provide the resources to engage in a behavior (Triandis 1979). In the context of online shopping,

consumers will evaluate themselves with regards to the facilitating conditions that provide them the resources to engage in online shopping and the facilitating conditions is within their control. Consumers are motivated to purchase products and services through the Internet due to the Internet provides effective technological supports and efficient transaction processes such as fast retrieval of information, efficient processing of payment and fast product delivery. A sense of control is likely to facilitate consumer behavior to perform online shopping activities. Dholakia and Rego (1998) found that the popularity of web stores depends on such factors as index pages, the number of web pages changes, the number of links, and multi-media functions. PBC would positively influence product purchase online and leads consumer to experienced innovative online shopping behavior since consumers would not have fears of opportunistic behavior from an online retailer.

In general, PBC plays a double role in TPB: First, along with attitude and subjective norm, it is a co-determinant of intention. Second, together with intention, it is a co-determinant of behavior. Limayem et al., (2000) reported that technology facilitating conditions were positively associated with online shopping directly and indirectly through intention.

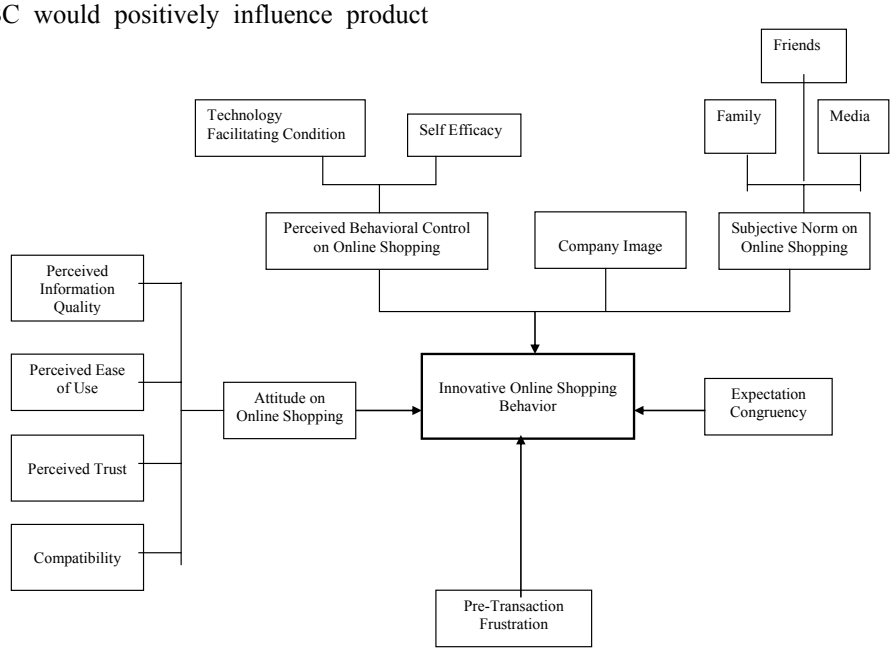

Figure 3: Theoretical Framework for Innovative Online Shopping Behavior

Subjective Norm on Online Shopping

Subjective norm suggests that behavior is instigated by one's desire to act as important referent others (e.g., friends, family, or the society in general) think one should act or these others actually act (Bearden et al. 1986). Applied to the two focal behaviors, subjective norm reflects consumer perceptions (normative belief) of whether these two behaviors are accepted, encouraged, and implemented by the consumer's circle of influence. Subjective norm has been widely shown to increase behavioral intentions toward system use (Karahanna, Straub, and Chervany 1999; Venkatesh and Davis 2000). Research dealing with social construction emphasizes the importance of social influence because system adoption is based on the social climate surrounding the system (Fulk 1993). Consumers' innovative online shopping behavior is voluntary; the circle of influence to shop online may only have an impact through opinions and suggestions from family, friends, and peers. For example, friends, family and media may support consumers shopping online, and consumers would also value friends' opinions about how easy and useful it is to shop online. In other words, consumers may believe that they would favor a certain online behavior. The literature suggests a positive relationship between subjective norm and intended behavior, and empirical work has shown that subjective norm influences behavioral intentions toward system use (Karahanna et al. 1999). A positive relationship between subjective norm and consumer innovative behavior in online shopping activities such as find information and purchase products from an online retailer is thus expected.

Perceived Information Quality

Perceived information quality is concerned with the usefulness and accuracy of the information from the firm's website in terms of facilitating the consumer in making the purchase decision. This is analogous to the construct of perceived usefulness which Davis (1989) defines as "…the degree to which a person believes that using a particular system would enhance his or her job performance". In online shopping context, information quality pertains to the degree to which consumers believe that using the information contained in the website would enhance their performance of making a purchase decision. Since the

process of shopping requires consumers to make decisions, any information that improves the job performance of making the correct purchasing decision will be perceived as useful.

In the context of online shopping, usefulness can be defined as the degree to which consumers believe that using the Internet would enhance their shopping performance (Davis, 1989). "Usefulness" referred to consumers' perceptions regarding the outcome of the online shopping experience. TAM posits a weak direct link between "usefulness" and attitude, and a strong direct link between "usefulness" and intention (Davis *et al*., 1989). This was explained as originating from consumers intending to use a technology because it was useful, even though they did not have a positive affect toward using. Apart from this, "usefulness" is also linked with "ease of use" to determine consumers' attitude toward online shopping. According to TAM, "usefulness" is influenced by "ease of use", because the easier a technology is to use, the more useful it can be (Venkatesh, 2000; Dabholkar, 1996; Davis *et al*., 1989).

Perceived Ease of Use

Davis (1989) defined perceived ease of use as "…the degree to which a person believes that using a particular system would be free of effort". Similarly, in this research perceived ease of use is defines as the perception of how easy and free from difficulty conducting an Internet purchase is for the consumer. Shopping on the Internet involve a minimum of effort. In other word, "ease of use" refers to their perceptions regarding the process leading to the final online shopping outcome. The process of shopping over the Internet requires consumers to be able to efficiently and effectively use technology to perform an online purchase. For the above reasons, Davis' ease of use scale was adapted to measure how easy it was for consumers to make an online purchase on the firm's website.

Understanding that "ease of use" affects consumers' attitude and intention toward online shopping, it is important to identify the latent dimensions of this construct in the Internet setting. According to TAM, "ease of use" is particularly of influence in the early stages of user experience with a technology or system (Davis, 1989, 1993). Following this, Venkatesh (2000, p. 343) stated: "...With increasing direct experience with the target system, individuals adjust their system-specific ease of use to reflect their interaction with the system". Implying that if consumers get more experienced with Internet, they will adjust their perceptions regarding the "ease of use" of the Internet as a shopping medium in a positive direction.

Attitude on Online Shopping

Attitude toward the transaction is defined as the overall evaluation of the desirability of a potential transaction with a specific web retailer. Taylor and Todd (1995) describe attitude as the attitudinal belief that a behavior will lead to a particular outcome, weighed by an evaluation of the desirability of that outcome. Attitude has been proposed to influence behavioral intentions in multiple theories, such as the TPB (Ajzen 1991), the TRA (Fishbein and Ajzen 1975), and the TAM (Davis et al. 1989). Hence, applied to the online consumer innovative behavior context of this study, favorable attitude toward an online shopping is likely to influence consumer innovative online shopping behavior in evaluating the desirability of using a website in receiving information, facilitating the act of providing information, and conducting monetary transactions by purchasing products and services with an online retailer. Attitude is an overall consumer's evaluation of an online retailer's characteristics. For example, consumers would trust an Internet service provider with transmitting their personal information online are necessary for them to shop over the Internet. Hence, attitude is likely to influence all transaction activities with an online retailer. Therefore, favorable attitude is expected to facilitate innovative online shopping behavior of consumer.

Perceived Trust

Trust is an important component in the exchange between seller and buyer of a product (Warrington, Abgrab, and Caldwell, 2000). Trust is defined as "the subjective probability with which consumers believe that [web vendors] will perform a particular interaction in a manner consistent with [consumers'] expectations" (Stewart, Pavlou, and Ward, 2002). Perceived trust in an online shopping refers to a consumer's feeling of being secure or insecure about dealing with the Internet for shopping. Trust may take a more important role in the context of online shopping than in offline shopping because the consumer purchases the product without physical exposure to either the product of the seller (Ratnasingham, 1998). In online shopping consumer trust is not dependent on the physical salesperson's expertise, likeability, and similarity to the customer since the physical salesperson is replaced by help buttons and search features, thus removing the basis of consumer trust in the shopping experience (Lohse and Spiller, 1998).

Trust involves three dimensions: perception of security, perception of privacy, and perception of product quality. Perception of security refer to the extent to which the consumer believes that the web vendor does not use credit card information illicitly and has an ability to protect the information from hackers on the web (Hoffman, Novak, and Peralta, 1999). Jarvenpaa and Todd (1997) identified the lack of security as the main obstacle that makes the consumer hesitant to shop online. Fox (2000) found that 68 percent of Internet users were concerned about hackers obtaining their credit card number through the Internet. In addition, security was the

most significant factor influencing perceptions of online service quality for Internet non-purchasers (Yang and Jun, 2002).

Perception of privacy refers to the extent to which the consumer believes that the web vendor protects the consumer's personal information by not selling it to third parties without the consumer's permission (Hoffman et al., 1999). Fox (2000) reported that 84 percent of Internet users were concerned about "business(es) and people (they) don't know getting personal information about (them) and (their) family". George (2002) found that privacy concerns influenced attitude toward online shopping.

Perception of product quality refers to the extent to which the consumer believes that the web vendor provides the quality pf products and services he expected (Jarvenpaa and Tractinsky, 1999; Grabner-Kraeuter, 2002). Yang and Jun (2002) reported that the "reliability" factor, highly related to perception of product quality, most significantly impacted Internet purchaser's perception of online service quality.

Pre-Transaction Frustration

Pre-transaction frustration related to the activities involved in the pre-transaction phase of the transaction process of an Internet purchasing experience. In this stage, in order to purchase a product online a consumer must log on to the Internet and connect to a website. Once a website is selected to purchase from, the consumer has entered the purchase transaction stage and is engaging in purchasing activities confined to the firm's website from which the consumer plans to make the purchase. When consumers experienced frustration or difficulty to reach to the particular website from which to make the Internet purchase, consumers has entered into pre-transaction frustration stage.

Novak et al (2000) conceptualized flow specifically in relation to online transactions as a condition experienced during web navigation that is a result of a person's (1) high levels of skill and control in the use of the web, which would likely reflect previous experience; (2) high levels of challenge and arousal felt during use of the web; (3) focused attention reflected by being deeply engrossed in general activity on the web; and (4) enhanced interactivity determined by the user's general desire to see the pages leading quickly. Consumers will feel frustrated if all of these elements could not be met during web navigation. Thus, pre-transaction frustration would have an influence on consumer innovative behavior toward online shopping.

Compatibility

Compatibility refers to the "degree to which an innovation is perceived as consistent with the existing values, past experiences, and needs of potential adopter" (Rogers 1995). While evaluating the compatibility of an innovation, one looks at the innovation's compatibility with existing values and beliefs, previously introduced ideas, and potential adopters' needs (Rogers 1995). A greater compatibility results in a faster rate of adoption. Therefore, the inclusion of compatibility in the base model is theoretically validated.

An example of compatibility with previously introduced ideas is evident in an investigation by Balabanis and Vassileiou (1999) that indicates that consumers with experience from other modes of home-shopping are more likely candidates for online shopping. In the online shopping context, consumer will perceive that shopping through online is consistent with their existing practices when it is compatible with the most aspects of their shopping, their lifestyles, and their shopping preferences. Online shopping compatibility would positively influence the attitude of consumer in adopting online shopping and later leads consumer to experienced innovative online shopping behavior since consumers would not have fears of opportunistic behavior from an online retailer.

Expectations Congruency

Expectations congruency is viewed as consumer's expectations related to the product purchased and the shopping activities conducted in the purchase transaction and post-transaction phase of the transaction process for an Internet purchasing experience.

Company Image

In order to be perceived as having a favorable image, customers must feel a level of trust, believe the company has a positive reputation, and have experienced previous positive encounters with a company (Crosby et. al. 1990; Doney and Cannon 1997; Dwyer et. al. 1987). Inherent in the trust variable is the perception of the firm's ability to make, enable, and keep its promises (Bitner 1995; Crosby et. al. 1990; Doney and Cannon 1997). Positive reputations are formulated when customers feel the firm is honest, concerned about its customers, and it has a positive history of relationships with its customers (Doney and Cannon 1997).

5.0 CONCLUSION

This paper proposes a framework to increase researchers' understanding of consumers' innovative behavior toward online shopping. The framework uses the constructs of TAM, TPB and IDT as a basis, extended by exogenous factors and applies it to the online shopping context. The review of literatures showed that consumers' innovative behavior toward online shopping are not only affected by ease of use, usefulness, but also by other important constructs of perceived trust, company image, expectation congruency, and pre-transaction frustration. The reason is that innovative online buyers have special characteristics that could affect online retailer's

marketing strategy. Thus, encouraging online buying among innovators should enhance the spread of the practice among later adopters, who wait to see how innovators react before adopting it themselves. By identifying the least innovative consumer, managers might also gain insight into the reasons they hesitate to buy online and develop strategies to ameliorate their objections. This is a unique opportunity for online retailer to more efficiently learn how to convert browsers and less inclined buyers (later adopters) to purchasers. It is thus important to include this construct in order to account for individual differences. They can convince non-innovators that online shopping and buying can be fun, safe, quick, and cheap in order to increase their online buying in the future and the adoption rate. Moreover, online retailer should focus on making online purchasing simple so that non-innovators will began to feel more confident using this new form of buying. Offering sales promotion incentives may serve as inducement for those buyers who are less inclined to shop online. Therefore, further research is needed to determine which of the factors in the proposed framework have the most significant effect on consumers' online shopping behavior. In depth analysis using new software known as AMOS (Analysis for Moment Structure) should also be carried out in future research that require researchers to develop measurement model and structural model before finalizing the fitted model.

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